



Stake Announces Acquisition Of Kettle Valley Dried Fruit Ltd.

Toronto, Ontario, May 8, 2003. Stake Technology Ltd. (Stake) (Nasdaq - STKL) (TSX - SOY) is pleased to announce that it has completed the previously announced acquisition of Kettle Valley Dried Fruit Ltd. (Kettle Valley) of Summerland, B.C. and its related companies. All management have remained with the company.

The Company also announces that a new Kettle Valley 30,000 square foot manufacturing facility in western Washington State, the center of the apple growing district in western U.S., is scheduled to commence production in August 2003.

Kettle Valley currently operates two production facilities in Summerland, British Columbia, the heart of the B.C. apple growing district. These plants produce natural and organic fruit bars and fruit leathers with an apple base and market these products under the Kettle Valley Real Fruit Snack and Frunola brands. In addition, Kettle Valley produces a number of private label products for customers in the U.S., Canada and the U.K. The company's products are sold through agents and distributors to the health food stores and mass market retailers, as well as to various school districts who are leading the trend in improving the dietary content of student lunches.

Kettle Valley will extend the Company's consumer product offerings to include natural and organic snacks. Stake intends to broaden Kettle Valley's bar product line into other health oriented bar products, many of which are expected to use vertically integrated ingredients from the Stake Food Group operations.

John Boot, President of Kettle Valley, said "We are very excited to be part of the Stake group of natural and organic food companies and look forward to the many new and exciting opportunities this acquisition brings."

Jeremy N. Kendall, Chairman and CEO of Stake Technology Ltd., commented that, "We are very pleased to have Kettle Valley join our Consumer Products Group."

Stake Technology Ltd. is an owner/operator of high-growth ethical businesses, focused on environmental responsibility and the health and well being of its communities. For the last four consecutive years, Stake was included in Profit magazine's 'Profit 100' list of the 100 fastest growing companies in Canada. Currently, the company has three business units: the Food Group, which specializes in identity-preserved (IP) grain products and natural and organic food products; from seed to packaged product; the Environmental Industrial Group; a producer, distributor, and recycler of industrial materials; and the Steam Explosion Technology Group who market clean pulping technologies. Each of these business units has proprietary products and services that give it a solid competitive advantage in its sector.

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